

97-84051-10

Coller, Estus Hammond

Industrial justice absolutely
essential to perpetuity...

[Battle Creek] Mich.]

c1914

97-84051-10
MASTER NEGATIVE #

COLUMBIA UNIVERSITY LIBRARIES
PRESERVATION DIVISION

BIBLIOGRAPHIC MICROFORM TARGET

ORIGINAL MATERIAL AS FILMED - EXISTING BIBLIOGRAPHIC RECORD

308	Z	Box 135 Coller, Estus Hammond, 1867-
Industrial justice absolutely essential to perpetuity of popular government, by E. H. Coller ... [Battle Creek, Mich., The Spencer printing co.] 1914.		
116 p. 22 $\frac{1}{2}$ "m. [\$.05]		
1. Cooperation. 1. Title.		
Library of Congress Copyright A 371714	HD3445.C7	14-9407 ONLY 1 D

RESTRICTIONS ON USE: Reproductions may not be made without permission from Columbia University Libraries.

TECHNICAL MICROFORM DATA

FILM SIZE: 35mm

REDUCTION RATIO: 10:1

IMAGE PLACEMENT: IA IIA IB IIB

DATE FILMED: 3-25-97

INITIALS: RB

TRACKING #: 22731

FILMED BY PRESERVATION RESOURCES, BETHLEHEM, PA.

BIBLIOGRAPHIC IRREGULARITIES

MAIN ENTRY: Coller, Estus Hammond

Industrial justice absolutely essential to perpetuity of
popular government

Bibliographic Irregularities in the Original Document:

List all volumes and pages affected; include name of institution if filming borrowed text.

Page(s) missing/not available: _____

Volume(s) missing/not available: _____

Illegible and/or damaged page(s): _____

Page(s) or volume(s) misnumbered: _____

Bound out of sequence: _____

Page(s) or volume(s) filmed from copy borrowed from: _____

unpaginated - [16] pages

Other: _____

Inserted material: _____

TRACKING#: MSH22731

President's Office G
NOV 30 1914

INDUSTRIAL JUSTICE

*Absolutely Essential
to Perpetuity of
Popular Government*

—BY—
E. H. COLLER

COPYRIGHTED 1914

*Every citizen owes it to himself
as well as to his fellow citizen
to read every word contained
in this little booklet. : :*

PRICE WITHIN THE REACH OF ALL
SINGLE COPY FIVE CENTS

INDUSTRIAL JUSTICE

—INTRODUCTORY—

Industrial Justice is an absolute essential to race betterment, and to perpetuity of popular government: It is a matter of history, that, during rule of King George III, when Thomas Paine left England and came to this country he found the colonists clamoring for Justice, whining about their grievances and upon bended knees imploring, George III, by the grace of God, for a restitution of their ancient privileges; they were not dreaming of independence, or endeavoring to become free men, but were trying to soften the heart of their master.

It has been said that Thomas Paine did more, than any other man, to cause the Declaration of Independence.

As this government was founded by a Declaration of *political* and *national* Independence against the oppression of Monarchical tyranny; so must it be perpetuated by a Declaration of *Industrial* Independence against the oppression of a system of Industrial tyranny: Such Declaration to be brought about through Federal legislation.

The one act on part of the Ford Automobile Manufacturer in sharing ten millions of net profits with employees, is the greatest fundamental essential step—and it is only a step in sharing of net profits—that has ever been taken toward Race Betterment in this country; I hope to prove that Industrial Regeneration must supersede any essential betterment of our evil social and Industrial conditions.

During a somewhat extended consideration of Industrial conditions, I have found that to voice the proposition of *Social* and *Industrial Justice* in attempt to enlist the interest of so called modern reformers, has been for most part "A waste of breath on the desert air;" I regret that my convictions lead me to believe that most reformers, today, are simply muck-racking over the dumpheaps of *effects*, of Evil *Causes* or *conditions* of the past. That in their efforts to grasp the new order of things, they fail to loose their hold upon the old order. "The survival of the fittest; That prosperity depends upon and results from individual acquirement of efficiency and the individual emolument."

Here can be applied a true economic law; That as the individual becomes proficient in the sciences, he becomes of greater economic value to society; But, if that same society fails to advance, economically, in proportional ratio, it fails to be in position to take advantage of the new condition or order of things. As a result neither the individual nor society receive the benefits that should accrue from advancement in science and industry.

It is a travesty on civilization and perversion of *Justice*, in a world so full of resources and so resourceful a people, that the individual should become so much the victim of evil circumstances over which he has no control; Little children are being born and men are growing old, and the 'hell' of it all is, that so many are born and so many grow old and die in conditions of squalor, degradation and despair because of the gratification, of the individual ambition and desire, through *greed* and *avarice*.

Man was destined to dominate the earth and not his fellow man; Humanity was destined to inherit the earth, not to be dominated by it.

Only he, whose love of country is exceeded by his love for his fellow man, and who is willing to concede, to every *unborn, living or dead*, American, as much as he might desire for himself, is a truly great, good and patriotic American citizen, and the discussions, of Euthenics, Eugenics and kindred subjects worthy of consideration, are such as made by *purely patriotic* citizens.

Modern Industrialism

The harnessed forces of nature as represented by such concentrated power for production as our varied modern manufacturing and corporate concerns; together with our monopolized water powers and possible future forces so concentrated; are, forces that are feeding a stream which has grown to such proportions as to monopolize and centralize all the main arteries and their tributaries of modern industry; With result that this stream is ever widening and its powers for concentration ever growing, becoming a stream the force of which is making a current against which the masses are finding it ever more and more difficult to advance, and against which they are obliged to wage an ever more relentless battle for subsistence, or be swept away, and finally with a loss of individuality, economic stability and independence become driftwood upon the shores of this great river, Modern Industrialism.

And today we find this great river hemmed in upon all its borders with the direlets of human society—paupers, criminals and insane, together with charitable and penal institutions, philanthropic organization and its twin sister, the poor house.

Charity and sympathy will never solve or dissolve the Industrial and social evils. The farther you go up or down the scale of civilization, the more prevalent become the evil social conditions, and the one feasible remedy consists in lengthening and strengthening of the line of social equality. To do this necessitates the broadening and strengthening of the one and only firm foundation, upon which humanity can find solid footing—Material Equity (Industrial Equity.)

History has never recorded a time when there was so concerted an action on part of the people as at present, to reveal the cause and provide a remedy for conditions, which result in so much of *social evil*, political discord and *industrial unrest*. Yet, as result of the growing demand, for an administration of social and industrial justice, we are today *investigating and inspecting* everything “under the sun” and then investigating the investigators in *seeming* search of a *plausible reason for present industrial policies*, and a *reasonable excuse* for their future existence.

There is a growing consciousness that there is something *fundamentally wrong* in conduct of social, political and industrial relations; Because of ignorance as to what this *something* is, society today is in a chaotic condition of mistrust, distrust and discontent that is breeding *disaffection, desperation and anarchy*, stultifying initiative and incentive and aborting the best possible advancement in industry and society. Everyone is charging every other one as being the guilty party: The public mistrusts the retailer, the retailer the middleman, the middleman the wholesaler, and finally they all accuse the “cook” as being responsible for the so called condition—“High cost of living,” therefore as might be supposed, responsible for all other industrial disturbances.

In the following brief consideration it is purposed to definitely fix responsibility for causes of industrial unrest, to disabuse the mind of any reasonable doubt as to the evil effects and to suggest what my findings lead me to believe to be the most feasible, if not the only logical remedy.

For benefit of those who may hasten to designate this as a socialist article, I will say that it contains no statement of fundamental principle or policy for which socialism stands. My whole argument is based upon the proposition of sharing the NET profits of *co-operative* produced wealth, that, through federal legislation, such action shall result in such a NATIONAL MUTUALITY in conduct of affairs in the Industrial Life of the Nation, as will “oust” the isms whether it be the capitalism, socialism or any of our multitude of isms,—from the realm of industry, FOREVER.

The author, while being optimistic as to the future, presents the following pages with a feeling that although the man, who could devise a scheme to equalize social and industrial conditions, should be worthy of all good things, he had best prepare to wear a thorned crown and to eat figs of thistles. However, I am not a pessimist; I simply base my hopes and fears, for the future of this country, upon the history of the *rise and downfall of nations*.

Combination and Corporation Encouraged

After considerable study and consideration of conditions I am convinced that the causes responsible for world-wide industrial and social unrest are universal in application and results. The evil conditions are the result of a system in which the majority have been passively and ignorantly participating. Under this system the individual is hopefully anticipating that some day, either through some force of circumstances or his own luck, he may become one of the dominant factors, of the system.

The great problem of life is not how to fight to gain supremacy, but how to transform society so that all may have opportunity to *be good, do good, and to be cheerful*. The time has come, in social and economic history of the people, when the self satisfied individual who ensconces himself behind the closed doors

to opportunity and plenty, and who cries out from behind those closed doors—charity, philanthropy, Brotherhood! can no longer be considered a loyal citizen.

We are a resourceful people, surrounded by myriads of inexhaustible resources, but unless products of the individual effort expended in their development are conserved to the welfare of that individual, we at once confront the one serious cause of industrial unrest,—*Exploitation*. To become a victim of exploitation one must be deprived of something which rightfully belongs to him and the reasonable remedy is to stop exploitation and the resultant accumulation of extreme wealth. It should be no secret that the foundation rocks upon which are broken the ties which should bind an industrial and social brotherhood, are Equity, Justice and Co-operation.

Promotors of industry, in quest of personal gain, are operating under the scope of corporate organization made possible through suffrance of the people; therefore their operations should be so governmentally controlled, that provision for greatest good to greatest number shall be the rule and not the exception.

Diversified industrial operations at one time fairly distributed have, as a result of concentration and monopoly, become grouped into large industrial centers, as result of economic pressure thus brought to bear, our once generally prosperous and resourceful population has been forced to forsake the rural and to seek the urban in search of employment; thus it is our large cities are being built at expense of the country in loss of population, prosperity and social solidarity.

My understanding is that the duties, devolving upon the Bureaus of Corporations Investigation, are to investigate the industrial operations from the standpoint of monopoly and competition, and after due deliberation to make recommendation to congress as to best policy to pursue,—*exploitation* by monopoly, *annihilation* by competition, or both.

This nation is industrially diseased; Industrial disease begets social ills. Monopoly is a disease; industry represents the lungs and human endeavor the life blood of a nation, and *monopoly* is to industry what *consumption* is to humanity.

Monopoly eliminates competition; competition is limited to the scramble of many after the few dollars which escape the concentrating grasp of monopoly, while under so-called free competition, the success of one results in undoing of others. In either instance it is impossible to realize a general condition of prosperity. Monopoly exploits, competition annihilates. Any attempt to remedy present evils, by eliminating monopoly and restoring competition, is useless unless provision is made for equal sharing of NET profits with all who have been cooperatively responsible for their production.

No war should be made against corporations unless in conduct of affairs they either become a barrier to general welfare or wilfully ignore the rights, interests and will of the people. We should be seriously concerned as to stability of our corporate system of industry, why, because labor is the most vital factor, and the vitality of an organization depends upon the integrity of its parts; therefore: We should favor and encourage corporations, more combination, co-operation and production and last, but best a *square deal law* providing that net profits be equitably divided, showing that we favor more and larger distribution, such as will make exploitation by corporation impossible. Truly there is need for either an exposition of a new, or a new interpretation of an old, Economics.

Efficiency of Labor and Corporations

Too much effort is being made these days to increase efficiency of manufactures and all corporations without a corresponding reward for increased efficiency of labor. Efficiency is being determined by ability of one to overcome economic or labor efficiency of another, therefore present system negatives idea of individual liberty (The right of one to make the best for himself and society without denying the same liberty to others).

Reward for efficiency cannot be reconciled to present industrial policy.

Under present wage system, efficiency cannot determine value of service, for minimum wage labor in given industry in one, may equal efficiency of skilled wage labor in another state. Minimum wage determination is being based *not* upon efficiency but rather upon sex and physical development.

Equitable industrial relations can be maintained only in proportional ratio of the purchasing power of consumers to cost price; Cost price becomes magnified as purchasing power becomes limited; so conditions of so-called "high cost of living" can best be considered simply the low wage buying power of the "live". Perhaps it is only a seeming coincidence, but "Dollar Down and a Dollar a Week," and "On Easy Terms" have become stock phrases of modern commercial advertising.

Corporations by demanding and commanding the best twenty years of the toilers' lifetime, and by monopoly of the toilers' products have in the lifetime of many of us builded a few corporations valued at a number of billions of dollars. As result of these operations the purchasing power of the toilers has been limited, resulting in limited income to the varied professions and trades. Thus we find that corporations are commanding *not only* the industrial destiny of the toilers, *but* the social and economic destiny of the whole people.

Following such consideration of the actual conditions existing in industry, no fair minded individual should fail to recognize the fact that it is nothing more or less than a colossal farce to attempt to remedy present industrial and social ills by promoting co-operative stores, social centers, vocational schools, etc., or by philanthropic administration of charity, either through municipal markets or charitable organization of any sort. Once establish a reign of industrial justice and there will be little need for charity.

There exists today two most incompatible conditions in connection with operations of industry and commerce. When prices are *high and business prosperity* seems to abound, there follows popular demand for *decrease in cost* to consumers with *seeming purpose of increasing general prosperity*. On other hand, when prices become *low* a general *business depression* is experienced, followed by demand on part of all corporate interests, sometimes as we know accompanied by demands of employees, for *increase in rates* to consumers, to *increase commercial and industrial prosperity*, upon which *seems* to depend the *general prosperity* of the people. Both propositions work on the theory of ones raising himself by his bootstraps.

Labor occupies a unique position in relation to industry, for application of any remedy which might lower cost to consumers or increase income to toilers interferes with present industrial operations, and "the business of the country must not be disturbed."

Possibly it is a fair contention, that one bad feature in connection with Union Labor organization, is a demand for a standard wage; Employers contend that it discriminates, against both the most skilled workman and the employer in favor of the less skilled workman: Resulting in differences, between the employers, employees and the union, which I contend can only be righted and made equitable by employees being paid according to their *pecuniary value*, followed by a sharing of *net profits* with all who have been physically and mentally responsible for their production.

My sympathies are entirely with the men who because of economic pressure feel forced to strike to better their conditions, but I am not at all in sympathy with the strike as a medium through which to improve condition. These men proceed to force better conditions by demanding a better wage, shorter hours, and better working conditions. Insofar as hours and working conditions are concerned, they may be able to appreciate permanent results if they are able to lose sight of corresponding increase in efficiency, due to introduction of the various speed up systems, and that hours and conditions do not go a long way toward providing necessities.

But insofar as wages are concerned, they lose an entire sight of fact, that wage is one factor in cost of production and that possibly they might realize lasting benefits from increase in wage, if they could but lose sight of fact that their outgo continues to grow faster than their income.

There are only two possible remedies for these inequitable conditions; which of the two propositions shall we choose: A sharing of *net profits* to increase the buying power of the mass of people or the *only alternative, charity*.

Let us get one idea definitely fixed; that if monopoly of *net profits* makes the *trust* then the *only remedy* for the Trust and its accompanying evils will be a *co-operative sharing of net profits*.

Any attempt to improve conditions of employees by increasing the wage can result only in failure, because wage is one factor in cost of production, therefore any increase in wage will eventually increase the cost of the finished product to the consumer.

Nothing outside profits of labor *"ever filled a pay envelope"*. Under present system there can be no such thing as fair wage, for wages are paid out of earnings of labor, and the balance goes to accumulation of extreme wealth; a fair wage therefore, means unreasonable exploitation unless labor is permitted to share in that which has been co-operative produced—the *NET profits*.

To increase efficiency of corporations to the people, there must be increased purchasing power of the masses, which would increase demand for products of industry, output of corporations, numbers engaged in both the corporations and in trade and commerce, thus adding to *general health, wealth and prosperity of the whole people*. As result of corporation and trust, there has been a monopoly of the loaves and fishes, and for at least one generation the varied organizations working for social uplift and welfare of humanity have been attempting to reach men's hearts through empty stomachs, and it's a *cinch* that it can't be done. Give the stomachs an equal opportunity, and you will equalize the action of the hearts.

Present policies of government to regulate and control are destructive and negative to conditions leading to economic independence of the people. And it seems a logical suggestion that we should have co-operative distribution following co-operative production. In short, manufacturing concerns and other corporations in first place exploit people by despoiling country of its resources; then they despoil the millions whose labors develop the resources of that which under the normal individual production would be dividend to the individual. Thus corporations have all these years through co-operative effort and corporate distribution been absorbing *NET profits* which under normal conditions would have been expended by laboring millions for necessities and luxuries; thereby providing *comforts and happiness* to themselves and *good market* for commercial and professional trades.

Too many are being misled by belief, that if the unpleasant, *mean* duties of society are to be performed, a mass of people must be kept in unpleasant, *mean* conditions: On the surface such belief seems to be warranted, but let us look beneath the surface of present day procedure.

It is folly to believe that laws can be enacted and enforced such as would equalize the mental, physical and spiritual ambitions, and desires of a mass of citizens; On the other hand it is reasonable to believe that laws, to provide greatest good to greatest number," and that no individual material prosperity should be realized as result of material loss of another, would equalize the social, material and economic conditions of the people, without equalizing the mental, capacities and physical capabilities or ambitions of the individuals. Therefore the same conditions would still exist, wherein there would be many diverse pursuits, for a many and different minded, spirited and ambitious people.

So called unearned increment, resulting from increase in valuation of individual holdings, exploits no one, but rather, it comes about as result of a general increase in the wealth and prosperity of the community; and cannot be com-

pared to operation of *monopoly* through corporation in attempt to justify accumulation of extreme wealth through *exploitation*.

Today we attempt to remedy our currency system with seeming purpose of making industrial relations more equitable, when truth is that the defects in our corporate system of industry are accessories before the fact to any inequitable monetary relations. For instance: the combined indebtedness of the governments of the earth is estimated at forty-two billions of dollars, and interest annually of \$1,750,000,000.00, including only national debts. This is more than all the money of all the earth of every kind. More than two-thirds of this indebtedness was made during the past half century through our systems of banking and bonding, which have been building out of the accumulated NET profits of productive labor. Together with this condition, we today boast of having in the United States, alone, two hundred corporations, which have in thirty years accumulated twenty-two billion, five hundred millions in wealth—more than half the combined debt of the seventy-three governments of the earth, and with gross income three times greater than that of the national government.

Peaceful adjustment of our industrial relations must supercede any possible peaceful adjustment of either our internal labor troubles or international relations, and I repeat; that time has come when he who ensconces himself behind the closed doors to opportunity and plenty can no longer be considered a loyal citizen.

As result of a fair consideration of the social and industrial conditions, one must conclude that attainment of social welfare and prosperity is baffled by a vain attempt to reconcile the many incompatible propositions, such as co-operation and monopoly; equity and greed; honesty and avarice; high prices for business prosperity, and low cost for consumers' prosperity.

Social Progress

It seems assured that industrial reform will never be accomplished by those willing to carry reform only so far as not to interfere with present industrial policy of distribution: Industrial conditions should be such that the nerve wrecked directs, of the two extremes of our social and industrial system, might freely and without sacrifice of ample remuneration, change their occupation. Thus the nerve wrecked, brain fagged promoter, professional, business man or laborer might enter the ranks of the toilers and by *productive* labor add to *general welfare* without pecuniary sacrifice; and the *output* of nerve wrecked and broken constitutions *recuperated* and finally *eliminated* by simply co-operatively sharing the products of mental and manual labor. As result many of the necessary helpful things being left undone today would be doing, while many of unnecessary, harmful things being done, would be left undone.

As much as I admire the good intents of sanitariums and sanitoriums, private and public asylums, penal and charitable institutions, etc., I much more abhor poverty, slums, disease and crime. The individual suffers most as result of lack of elements making to material welfare, which condition deprives him the power of resistance to physical disabilities, or to properly alleviate mental and physical sufferings attendant to such disability. To have our children become men and women and stand square on their heels, conditions must be provided whereby provisions can be made for their material welfare, otherwise they become shuffling slaves.

Combinations have been bred by the *avarice* of man resulting in corporation, trust and monopoly, followed by conditions of deprivation, want and of nagging anxiety of the mass of people as to the future. Out of which condition has grown the necessity for charitable and philanthropic organizations, and the existence of our numerous protective, together with a multitude of insurance organizations into whose hands have become concentrated a vast portion of the wealth of the country, all in the name of civilization and national prosperity. The material wel-

fare of the manual toilers should no longer be limited to the crumbs which fall from the table of prosperity.

It is evident that present inequitable conditions if long continued will result in necessity for radical change, being forced upon the people. So we should be seriously concerned in having the change come about as result of intelligent public sentiment popularly expressed, rather than from violence and revolt against real or fancied conditions of oppression. Nothing can be gained by opposing or fighting against progress; We must assimilate or appropriate it and work with it.

The Tariff Benefactions

In the latter months of 1913 we are handed from supposedly good authority, these statements: "The Democratic Tariff program is forcing the corporate interests of this country to remove their plants to Canada." "American manufacturers have completely filled the American market, and their production is greatly in excess of domestic demand, and owing to lack of reciprocal trade agreements these industries cannot remain at home and prosper." Nothing is said as to domestic *needs* being satisfied, that American manufacturers are selling cheaper to *foreign* than to *home* consumers; no statement is made of the fact that while paying a better wage they can, as result of tariff and exploitation, *successfully compete* with products of *cheap* foreign labor in the markets of the world. But it reads between the lines.

We know that tariff protection adds to income of corporations; if labor shared in the *net* profits we know the tariff would be a protection to and add to welfare and prosperity of both American institutions and all American labor; but under present industrial policy, boil down the tariff and the residue is a benefit to corporate interests.

One of the most general complaints today is that the "professions and trades are overcrowded;" by which is meant that the *demand for services* are more than filled, while fact is, that only a fraction of the *needs for services* have been supplied. There's the same old reason: "Limited buying power."

Public and Private Ownership

It appeals to me that it would be well if we might have government or municipal ownership of those industries such as public utility corporations, wherein such ownership would result in *increase* in public service, *decrease in rates* to consumer, and increase in employees and their income. But those industries such as are of Inter-state import commercially or local in their service to the public, wherein public ownership would limit or decrease the number of employed, should be so governmentally controlled as to require a sharing in NET profits. Thus the operations of both public and private industry would be conducive to a maximum buying power and industrial and economic stability of all employees and their dependants, who constitute 95 per cent plus of the mass of consumers.

There is a growing popular demand for social and industrial justice. Industrial unrest has become so potent a factor in our national life as to make personal deceit, as to its magnitude and serious social import, one of the great barriers to popular social and industrial progress. If we would thwart the blind impulsive effort of some "ism" to in some manner, even to resort to revolution, compel acceptance of social and industrial policies, application of which we might well least desire—some corrective policies, in methods of promotion, production and distribution must be adopted, which will equalize conditions as between promoters, producers and consumers.

Inequitable industrial relations are produced when corporation monopolizes an industry. Such operation monopolizes the individual right, power and privilege to promote and profit in the industry. The individuals are forced to produce for the corporation and the profits which under normal production would accrue to

the individual, accrue as dividends to the corporation. Such procedure has resulted in monopoly of practically every industrial undertaking in this country or the world.

While corporation increases efficiency and decreases cost, the trouble arises from fact that it increases income to corporation (few) who represent the 22 billion 500 million dollar corporations and limits income to toilers (the many) who represent both the salt and the slums of the earth. The fact is that increased efficiency and decreased cost is obtained wholly at the expense of toilers.

A corporation, large or small, monopolizes the product of the laborers, and it seems most unreasonable procedure for government to attempt to remedy present ills, either by splitting large corporations into smaller units, each of which exploits its workers by monopoly of net profits, or by sharing in the spoils of exploitation through the mediums of corporation, income or inheritance tax, etc. The growing popular demand today is for a simple administration of justice.

Products of industry have to great extent become of inter-state import commercially, and time has come when Federal legislation to control our industrial operations is an absolute essential. Let us do away with the present system of petty regulation and control and establish a few fundamental, basic laws, of equity and justice to which all must conform.

Equitable Distribution

After the mental and manual laborers in an industry have been remunerated for investment of time, mental ability and labor service according to pecuniary value, every one has been equally essential and responsible for production of any NET profits, and should share equally in those profits. It resolves into a simple problem of ratio and proportion. If these men have been paid or *remunerated* in ratio to investment of service, through the productive stage, they surely stand in equal ratio as to responsibility for the production of any NET profits and should share equally in their distribution.

A natural deduction is that a cash investor should receive only a legitimate interest, for unless he becomes one of the active force he has made no other investment. Cash investment remunerated on a basis of maximum productive effort of mass of toilers is the greatest factor to exploitation by corporation, and will forever preclude possibility of man being rated higher than dollars and cents in the industrial evolution.

It is as implacably against the laws of economics, that increase in dividends is due to the increased earning power of the dollar, as it is that the dollar invested in our industrial operations pays the wages. Granting those propositions, there can be but one conclusion, that it is the increased efficiency of labor power to produce which makes possible an increase in dividends to corporation; therefore if the laws of economics are to be consistently adhered to, a reasonable amount of net profits must revert to the powers that produced them.

We often hear it said: "If anyone is smarter than I, and is able to make a million or a hundred million, it's his business; no questions asked." It does seem pernicious in one to complain of a system, wherein one, by selling chewing gum to children at a penny a stick, accumulates several millions of dollars. But, when you consider that the accumulation results not only from a large profit on the stick of gum, but from monopoly of profits and exploitation of women and children engaged in manufacture, as well; it resolves into a penny ante game, with pennies all going one way.

While the gum proposition is a big business in a small way; how about the big business in a big way with the large profits monopolized, together with exploitation of workmen engaged in manufacture? When we come to understand that these conditions have come about, not so much because of the *superior intelligence* of someone, but more because of our *inferior ignorance*; What are we to do about it?

My contention is that the same governmental powers which provide ways and means for so perfect a system of co-operation in production can also provide for the co-operative distribution of the co-operatively produced NET profits. Government which makes laws *making existence of corporation and co-operative production under corporate management possible*, thereby *making accumulation of extreme wealth possible*, can also make laws *requiring an equitable distribution of the NET profits of that system*.

Thousands are aware that the laws of compensation are sorely out of tune, but because of the gradual growth are unable to associate the evil conditions with any other than natural causes, thus they remain passive and ignorant participants in the support of the system. I believe the statement of Joseph E. Davies, Chairman of the Bureau of Corporations Investigation, to be absolutely true, that "Civilization is a 'lie'; if after bringing these institutions into being it could not deflect their power so they would not become a Frankenstein to destroy the liberties of men." (If it be more blessed to give than to receive, to what region of the beyond should our present system of industry be relegated?)

Constructive Legislation

As man is the only creature which will suffer for food in the midst of plenty, the reason being that he has been taught respect for law, the one thing above all others for which we should strive is *constructive legislation*.

A law to be constructive, greatest good to the greatest number—and the only constructive laws, on statutes of any state or nation, are laws which make such provision—should provide that when promoters, clerks, agents and all classes of labor have invested their time, mental ability and labor services and have been remunerated in proportion to their pecuniary value to the corporation. When stockholders have been remunerated by a legitimate interest and after all expenses have been paid, then it should be provided that every one actively engaged should share equally in any NET profits.

The question is often asked "But how about the man who invests all the money and takes *all the chances*?" That whole proposition has been run on the principle of "*heads I win, and tails you lose*" policy, and invariably monopoly has flipped the coin, and I would cite the existence of our twenty-two billion, five hundred million dollar corporations.

Individuals in control of corporations should prosper only as result of legitimate returns on investments or as result of their own efforts, and not by monopoly of NET profits produced as result of maximum productive power of manual labor. Otherwise "our children shall not be men but slaves to an industrial hierarchy or a governmental despotism." Let us make the simple adjustment whereby co-operation in distribution shall accompany co-operation in production.

If the twenty-two billion five hundred million dollar corporations are the result of an accumulation of NET profits, we can as well stop the commission hunt for gas leaks and foul morass in our social and industrial life, for if we would remedy the evils of corporation, trust and monopoly, we have only to share the NET profits with all who have been responsible for their production. The time for action is now, even the near future may be too late to harmonize and equalize the relations and conditions between the corporations and working men.

Co-operative Production

VS.

Corporate Distribution

Corporation and cooperation should be synonymous in so far as corporate production and distribution are concerned. As we have a most perfect system of cooperative production, the most essential constructive law will be one which pro-

vides as nearly a perfect system of cooperative distribution.

Cooperation carried on by corporation (Combination) through productive stage and only to point of distribution can result only in misfortune to a majority; and "does'th not the good book t'say, that man born of woman t'shall be of but a few t'ays and full of trouble"?

As cooperation and combination are inevitable and beneficial, law should preserve the good but suppress the evil in combination (corporation); For instance, we have a well regulated system of cooperative production; in fact, insofar as children and women are concerned, the efforts in production are too well distributed; but there ends cooperation; Corporation now provides an evil destructive policy of distribution, compelling an abnormal labor effort of the family.

Women and children are not in the industrial arena from choice, but as matter of necessity. Men are laboring as matter of choice, prompted by desire to *organize* and *maintain* a family, from which should emanate the stability and life blood of a nation. Any factors, interfering in any way with the fulfillment of those desires, are a crime against society and civilization.

Commercial and Industrial conditions are such that we today can buy necessities for less than at any time before the advent of corporation; so there can be but one conclusion; that it is not the increasing cost but rather the decreased buying power of consumers that results in the socalled condition; "High cost of living."

The lesson to be taught to our children in the schools, to our teachers, preachers, business men and to our legislators is: That the attainment of economic independence amongst the masses would add materially to development of genius, stimulate incentive to progress and make possible the realization of the greatest possible advancement in science, art, industry and society.

Finally, Socialism, with any faults it may have, embodies the only plan presented today through which an equitable distribution of products of human toil can be realized; but, we must recognize that socialism necessitates cooperation; but that cooperation does not necessitate socialism.

Socialism stands for ideal conditions of cooperation and efficiency and with present popular trend toward the idea of universal unity and Brotherhood of things, any organized movement to beat socialism across must make provision for cooperation in distribution; the essential factor—*Material Equity*—must become one of its cardinal principles.

Meditate for a moment, on the fact that Illinois can furnish corn to supply the people of this country if not of the whole world, then think of the fall you must take to reach the plane upon which commerce and industry are being operated today.

The farmers are attempting to overcome the evil effects, that monopoly in manufacturing and other corporate concerns is bringing to bear upon them, by creating buying and selling organizations of which there are now several thousand working in interest of better prices. If they are successful in getting desired results they but add to the evil effects of monopoly—higher rates on products and decreased purchasing power of the mass of people; Forcing of higher prices works greatest injustice to those already burdened.

The present policy, of increasing efficiency and improving method in production and marketing, must be followed by increased income and purchasing power of millions of toilers and consumers. otherwise a large mass of the people become less and less able to take advantage of the improved conditions. We have need for better market; the most essential need to free movement of farm products is a free and easy market produced not by forced sale, but by increased purchasing power.

If the mass of people were providing themselves with necessities the *pleasantable* occupation of farming would also become *more profitable* to the farmer, and perhaps *less so* to manipulators of boards of trade and Wall Street. It is

reasonable to presume that a large percent of forfeitures of land is due to the same condition which cause so large a per cent of forfeitures and failures in the business world, that is, the limited buying power of a large mass of our citizens.

You talk of prohibiting interlocking directorates. What are you to do about the community of interest existing today, in every city, village and hamlet where corporation exists, between the corporations and the few moneyed interests there existing? Corporate industries as organized and operated today are a community of interest to a few. The moneyed interests in a manufacturing City have no need to organize a union for mutual protection, they simply invest in varied industries and the operation of monopoly through the corporations does the rest.

Union Labor is accused of working for special legislation to the upbuilding of a labor trust; while fact is, that labor is simply endeavoring to bring about conditions wherein the wealth, which is mutually created, shall be so distributed as to be of greatest possible mutual benefit. But the question arises: Would acquirement of things demanded by labor—better wages, working hours and conditions—result in the greatest possible mutual benefit? Are the demands in keeping with results they would most wish to accomplish?

When labor comes to understand that monopoly of net profits results in accumulation of extreme wealth; that the buying power and economic stability of toilers can increase, only in ratio to the decreased power of corporations to exploit and monopolize; then will organized labor make demand for that to which they are justly entitled—a share in the *Net Profits*.

In answer to the question: What should be considered an equitable distribution of cooperatively produced wealth? I would say that the income to toilers, mental and manual in industry should be sufficient to provide present necessities and future expectancies to such extent as not to forfeit same provisions to employers and vice versa. In the light of present day accumulations of extreme wealth and abject poverty it is very evident that no provision is made for such equitable division of profit.

The one thing of greatest national import, to be accomplished today, is the rescue of our present corporate system of industry from the ravages of its own misguided conduct. The operation of monopoly is working to the very condition which today is most abhorrent to the moneyed interest, and promoters of industry, that is, a Cooperative Common Wealth. If in next generation corporate wealth increases in proportional ratio to its growth in past twenty-five years, there is reason to believe that the wealth of the nation will be so concentrated as to result in one of two conditions, either the government will take over the control of industrial operations, or there will be a fall followed by revolution, either of which, we perhaps might well least desire.

To bring about a national mutuality, in conduct of social and industrial affairs, may eventually necessitate the elimination of party politics. It is a recognized fact today, that owing to party affiliations, the conduct of the people's representatives in the legislative affairs, often results in obstruction and defeat of legislation in best interest of the people. There can be no doubt but the day is not far distant when the disposition of the things of importance in legislative affairs will partake only of the nature of mutual helpfulness.

To mutually help a community, municipal, state or national, necessitates cooperation, and with due respect to all political parties let me suggest that the industrial-political or the political-industrial warfare is on between socialism with cooperative ideals, and our corporate system of industry with its ideal *conditions of concentration, exploitation and monopoly*.

As result of monopoly, due to modern methods of production and distribution, children and women are laboring in vain attempt to undo the evils of a system, which deprives heads of families from sharing in cooperatively produced wealth. Therefore, as I previously stated as man is the only animal which will suffer for food in the midst of plenty, the reason being that he has been

taught respect for law, we should have a constructive law, "a square deal", providing that everyone toiling in corporation *shall own his own job*, in so far as an equitable sharing in NET profits would equal an *equitable ownership* in the *cooperatively produced wealth*. Such equitable distribution would be equal to a condition of *individual ownership in machines or means of production* and of *every man owning his own job*, and having somewhere fairly near the *net product* of his labor.

Cooperation in distribution is the only feasible method of solution to solve the problem that modern machinery has brought. One may as well undertake to increase the fertility of a hundred acres by fertilizing one rod of the land, as to attempt to increase the economic stability and industrial independence of the laborers in corporations, by present methods of profit sharing.

Effect follows cause, effort expended in remedying effects is *endless* and *useless*, for instance, we scandalize and unseat our public officials who have fallen to the invisible government, but we continue to extend *popular suffrage* to monopoly and money trust. We tax and bond the people to maintain charitable and penal institutions, but extend popular suffrage to corporate control of resources and industry. We formulate Federal laws, *licensing* corporations to *monopolize resources and products*, then laws to regulate child and woman labor, hours of labor, to regulate trust, to provide working men's compensations, etc., but in all these we commit no act to remedy the cause of all the evil effects we seek to better. It was Thomas Paine who said, "England lost her liberty in a long chain of right reasoning from wrong principles."

As I have said let us make the simple adjustment whereby cooperation in distribution shall accompany cooperation in production. Give us equitable distribution of NET PROFITS under present corporate system of industry. I repeat: A corporation large or small monopolizes its products, and it is folly to attempt regulation by splitting large into smaller corporations, each of which exploits its workers of NET profit, or by such laws as the income tax law, which affects only a small portion of the corporately produced wealth of this country. Provide for equitable distribution, then provide for a *morally legitimate tax*, upon the equitably distributed wealth of this country, then *watch civilization become civilized*.

Equitable distribution of net profits, of cooperatively produced wealth would do away with a large per cent of the social evil and industrial unrest of today. Corporation is a creature of the law; corporate monopoly exploits country of resources and toilers of NET profits. The life of trade and commerce depends upon the purchasing power of the mass of consumers, and monopoly of NET profits limits that purchasing power, and limited purchasing power limits economic and social stability of the mass of citizens, and tends to a condition of poverty, slums, disease and crime among the mass of people, whose efforts are responsible for the wonderful industrial growth and material prosperity of this country.

Special Features

The limited income to men results in necessity for child and woman labor. Six to eight years in industry unfits woman for motherhood and predisposes offspring to nervous and physical disorders, and predestines them to the tender mercies of some charitable asylum or penal institution. The same industrial conditions are making mental and physical wrecks of the manhood of this country, and what can we prophecy for the future generations.

Equitable distribution of cooperatively produced NET profits, besides bettering many other conditions, would do away with necessity for child and woman labor, limit necessity for demand for woman suffrage and divorce, stimulate incentive and efficiency amongst the mass of workers and put the petty bosses to work. It would also limit necessity for our numerous charitable and philan-

thropic organizations, which today represent by far too large a horde of non-productive forces in this country. "It is mighty *unfortunate* for the few to have a *bunch* of poor *relation*, but, if it were not for the *exorbitant wealth* of a few there would be fewer *poor* and *unfortunate relations*."

For the sake of humanity let us have such an equitable disposition of our disturbed industrial conditions as will result in such national mutuality in conduct of social and industrial affairs as will eliminate the present calamitous conditions of *over work* and *compulsory idleness*.

Besides the power of corporations to exploit, concentrate and monopolize natural resources and products of industry, there is another special feature in connection with operation of monopoly through corporation, that is, the exacting demand for cash payment. The one who *demands* it, *gets* it, there is not enough to go around.

As result of corporate operations in demanding best twenty years of toilers life time and monopoly of net profits, which limits purchasing power of mass of consumers, together with exacting demand for cash payment for products; the mass of people engaged in trade and commerce are compelled to participate in *unreasonable competition*, *unreasonable* and *unseasonable* hours of labor, and with all that are obliged to extend *unreasonable credit* before being (remunerated) for their services. The effects of those conditions are evident every day in the dissolutions and failures taking place in the commercial life of the country.

Another feature, that gives promise of a healthful and helpful mental revolution, is the fact that those engaged in management of branch concerns of corporations are fast realizing that there exists a condition of inequitable distribution, they find* that the greater their effort and larger the amount of business, the larger the income to the parent concern, but that their salaries and wages of subordinates remain flat. Such condition dominates the domain of commerce and industry to such extent as to preclude possibility of amicable relations, between corporations, toilers and consumers and is paralyzing individual incentive to proficiency, economic and industrial independence.

The constitution needs no amending. "A government of the people, by the people and for the people?" "Equal rights to all and special privileges to none?" A representative and supposedly popular government becomes a colossal farce when the articles of the constitution which are *fundamentally essential* to social well being are *ignored*, and present *calamitous* conditions allowed *free reign* because of *precedent of past bad legislation*.

It is impossible to make everybody good by legislation, but you can by legislation make environments good, thereby making possible a better citizenship. It is up to the Federal legislators to harmonize and equalize conditions between our corporate system of industry and the working men, thereby insuring the future industrial welfare, and social solidarity of the best country on earth.

No individual however rich, should be deprived the necessities and luxuries of life, for when *want for necessities* becomes *too insistent* one becomes a *cringing slave*, therefore, *no man should be deprived the rights of equal opportunity to acquire the necessities, luxuries and pleasures of life*.

Perhaps in the final analysis this is what we might best wish to accomplish, that those with an ax to grind should be compelled to do their grinding at a grind stone run in the interest of the people, by the people, and for the people, otherwise they should grind on their own grind stone and swing their own ax.

Constructive laws to control industrial and commercial affairs—laws providing greatest good to greatest numbers—together with equitable enforcement of laws, to properly preserve social order, would provide conditions wherein all individuals would be constrained to do the best for society as well as for themselves; then would popular sovereignty be assured, and social accord, industrial peace and prosperity abound.

CONCLUSION

In the foregoing pages, there has been an attempt to express briefly and in simple language, devoid of *petty personal* bickerings and incriminations, what has been said regarding the general conditions which have resulted in so much of *social evil, political discord and industrial unrest.*

Too many reform ideas are *narrow* in their viewpoint, *pessimistic* in their outlook and *selfish* in their purpose, and for want of encouragement fall by the wayside. But those reformers, who today, are *sincerely* working for a *general betterment*, of Social and Industrial conditions, have reason to be optimistic as to the future of American Institutions. Because of the fact, that all other means having been exhausted, there remains the one and only remedy to be applied to settlement of our disturbed *industrial* and *social* conditions, and that is, **JUSTICE.**

Those readers, who may have become in any way interested in the text of this little booklet, are respectfully invited to lend their efforts in spreading the Gospel of Social and Industrial Justice.

Copies of this Booklet can be procured by writing E. H. Collier, Battle Creek, Mich.

Five cents, single copy; 25 copies, \$1.00; \$3.75 per hundred copies. Special organization rates on lots of 1000 on application.

**END OF
TITLE**